

## Form AU-72 Cash Bond

**Purpose:** A nonresident contractor working in Connecticut uses **Form AU-72** to post a cash bond with the Department of Revenue Services (DRS) for a specific project in the state. The cash bond ensures all taxes due to the State of Connecticut from the contractor are paid to DRS. Read the instructions on the reverse side before you complete this form. If you need help, call **860-541-7538**, Monday through Friday, during business hours.

<b>Part I: Nonresident Contractor Information</b>			
Name		Connecticut Tax Registration No.	
Address (Street or PO Box, City, State, and ZIP Code)			
<b>Part II: Person Doing Business With a Nonresident Contractor Information</b>			
Name		Connecticut Tax Registration No., Federal ID No., or SSN	
Address (Street or PO Box, City, State, and ZIP Code)			
<b>Part III: Project Information</b>		<input type="checkbox"/> Check the box if this bond is for a change order.	
Physical Location of Project (Street, City or Town)		Name of Project	
Commencement Date	Completion Date for Nonresident Contractor	Total Contract Price or Amount of Change Order	Bond Amount
<p>Conditions of the obligation for the project detailed above:</p> <ul style="list-style-type: none"><li>• The nonresident contractor has entered into a contract related to real property at a Connecticut location.</li><li>• The nonresident contractor is posting a bond of 5% of the total contract price, including any change orders and add-ons, with DRS to ensure that all taxes that become due and owing during the period of the contract will be paid.</li><li>• A bond must be posted within 120 days of the commencement of the contract or 30 days after the completion of the contract, whichever is earlier.</li><li>• The nonresident contractor must submit a written request to DRS to audit its records within three years from the last day of the month succeeding the reporting period for which the contractor posted the bond. DRS will return any excess of the cash bond over any taxes, interest, and penalties assessed.</li><li>• This bond jointly and severally binds the nonresident contractor, the heirs, executors, administrators, successors, and assigns for payment of this obligation.</li></ul>			
<p><b>Declaration:</b> I, the nonresident contractor named above or its authorized agent, declare under the penalty of law that I have examined Form AU-72 and, to the best of my knowledge and belief it is true, complete, and correct. I understand the penalty for willfully delivering a false document or return to DRS is a fine of not more than \$5,000, or imprisonment for not more than five years, or both.</p>			
Print Name		Title	
Authorized Signature		Date	

## General Instructions

A nonresident contractor must execute **Form AU-72, Cash Bond**, to post a cash bond with the Department of Revenue Services (DRS) for a specific project in Connecticut.

A nonresident contractor has the option of filing a cash bond or a guarantee bond instead of the customer making a deposit with DRS under Conn. Gen. Stat. §12-430(7)(B). Under this option, the nonresident contractor has 120 days from the commencement of the contract or 30 days after the completion of the contract, whichever is earlier, to file a cash bond or guarantee bond (Form AU-766) with DRS.

Return Form AU-72 to: Department of Revenue Services  
Discovery Unit  
25 Sigourney Street  
Hartford CT 06106-5032

See **Special Notice 2005(12)**, *Nonresident Contractor Bonds and Deposits*, for more information.

**Nonresident contractor** means a contractor who does not maintain a regular place of business in Connecticut.

**Regular place of business** means:

- Any bona fide office, factory, warehouse, or other space in Connecticut at which a contractor is doing business in its own name in a regular and systematic manner; **and**
- Which place is continuously maintained, occupied, and used by the contractor in carrying on its business through its employees regularly in attendance to carry on the contractor's business in the contractor's own name.

A regular place of business **does not include**:

- A place of business for a statutory agent for service of process or a temporary office whether or not it is located at the site of construction;
- Locations used by the contractor only for the duration of the contract, such as short-term leased offices, warehouses, storage facilities, or facilities that do not have full time staff with regular business hours; **or**
- An office maintained, occupied, and used by a person affiliated with a contractor.

**Contract price** means the total contract price, including deposits, amounts held as retainage, costs for any change orders, or charges for add-ons.

**Person doing business with a nonresident contractor** means **any** person who makes payments of the contract price to a nonresident contractor, and includes, but is not limited to property owners, governmental, charitable or religious entities, and resident or nonresident general contractors or subcontractors. An owner or tenant of residential real property is not a person doing business with a nonresident contractor and is not required to comply with the provisions of Conn. Gen. Stat. §12-430(7). However, the nonresident contractor doing business with such an owner or tenant must comply with the bond requirements under Conn. Gen. Stat. §12-430(7)(F).

**Commencement of the contract** means the time when the nonresident contractor signs the contract, but, in any event, occurs no later than when the work under the contract actually starts. If a change order is made after the commencement of the original contract, the change order commences when it is signed by the nonresident contractor, but, in any event, occurs no later than when the work under the change order actually starts.

**Completion of the contract** means the time when the nonresident contractor makes the final periodic billing for the contract. The final periodic billing may be due before payment of any retainage becomes due. If a change order is made after the final periodic billing for the original contract, the change order is complete when the nonresident contractor bills for the change order.

**Residential real property** means real property used exclusively for residential purposes and consisting of three or fewer dwelling units in one of which the owner or tenant resides.

## Specific Instructions

**Part I:** Enter the name and complete address of the nonresident contractor furnishing the bond. Include the nonresident contractor's Connecticut tax registration number. The name and address of the nonresident contractor appearing on the bond must agree with the name and address on **Form REG-1, Business Taxes Registration Application**, filed with DRS. (If the information originally provided on Form REG-1 is now incorrect, you must notify the DRS Registration Unit in writing of the correct information.) If the nonresident contractor is a corporation, the corporate name appearing on the bond must be the same shown in the records of the Office of the Secretary of State, or similar agency of another state if the nonresident contractor is not a Connecticut corporation.

**Part II:** Enter the name and complete address of the person doing business with the nonresident contractor. If the nonresident contractor is the general contractor, enter the name and address of the owner or tenant of the property who has entered the contract. If the nonresident contractor is a subcontractor, enter the name and address of the general contractor.

Enter the Connecticut tax registration number of the person doing business with the nonresident contractor. If the person doing business with the nonresident contractor does not have a Connecticut tax registration number, enter that person's Federal Employer Identification Number or Social Security Number.

**Part III:** Check the box if the bond is for a change order occurring after the bond for the initial contract was furnished to DRS.

Enter the name of the project and the complete address including the street address and the city or town where the project is physically located.

Enter the commencement date of this project or change order.

Enter the date by which the nonresident contractor is expected to complete work on this project or change order.

Enter, in words and figures, the total amount to be paid to the nonresident contractor under the contract. Indicate if this amount is an estimate.

Enter the amount of the cash bond (5% of the contract price).

**Declaration:** An authorized representative for the nonresident contractor must sign and date the declaration.